

Standards of Business Competition

April 2021



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1. Introduction

These competing business standards (standards) of The Middle East Healthcare Company (Saudi German Hospital) are prepared on the basis of the text of Article (72) of the Corporate System and Article (46) of the Corporate Government Regulation, and these competitive business standards show the standards and procedures governing the rules of participation of the company's board members in competing businesses, and these standards are based on the relevant provisions contained in the corporate system, the corporate governance regulation, and regulatory controls and procedures in accordance with the corporate system of listed joint stock companies, and the company's statutes. The company's work, related activities in its statutes and the founding contracts of its subsidiaries have been separately demonstrated, namely, the provision of health services through the establishment, management, operation and maintenance of hospitals, clinics, centres, institutes, health rehabilitation centres, physiotherapy, laboratories of analysis, radiology, pharmacies and other support areas, including wholesale trade in medical equipment, equipment and supplies. Health rehabilitation tools, physiotherapy and everything related to hospitals, medical centers, wholesale and retail in computers, spare parts and programs related to health care, hospitals, health centers, commercial agencies in the fields of health and medicines and the establishment, management, management and organization of exhibitions and conferences of the company, and the competitive business cases of the members of the Company's Board of Directors will be dealt with in accordance with the provisions of these standards.

2. The scope of application for the standards of business competition

2/1 These competing business standards apply to the company's board members.

2/2 These standards will not compromise the other duties of the company's board members under the relevant provisions of other company policies, such as a conflict of interest policy. The obligations set out in these standards apply in addition to the duties set out in those policies and must be adhered to at all times.



3. The concept of competition practices

The concept of participating in any business that would compete with the company or its competitor in one of its branches of activity is included:

3/1 The board member establishes an individual company or institution, or is owned by an influential share or stake in another company or facility engaged in activity of the type of activity of the company or its group.

3/2 Accept the board of directors of a rival company or group, or take over the management of a competing individual institution or company in any form.

3/3 Accept the membership of any committee in a company that competes with the company or its group.

3/4 A member's access to a commercial agency or what is in its judgment, a phenomenon that was or is hidden for another company or facility competing with the company or its group.

3/5 The Board member provides advice or guidance to any company or person working for a company that engages in competing businesses for the company's business or group.

3/6 The Board member uses his or her knowledge or influence on any of the company's customers, group, suppliers or advisers for the benefit of any company or person working for a rival company.

4. Compete with the company

4/1 A board member may not participate in any business that may compete with the company, or any of its activities, nor may a board member be a member of the board of directors of a company that competes with the company, or any of its activities, unless that member receives authorization from the Company's AGM.

4/2 The above-mentioned duty is the personal responsibility of each member of the Council and council members have pledged to disclose to the Council on an ongoing basis any change in their respective positions.



4/3 When any member of the Board wishes to engage in a business that may compete with the company's business, or any of its activities, the following should be taken into account:

4/3/1 Inform the Board of the competing work it wishes to exercise and prove it in the minutes of the Board meeting.

4/3/2 The stakeholder member does not participate in the vote on the relevant decision or in the decision-making at the Board meeting and shareholders' associations.

4/3/3 The Chairman of the Board of Directors informs the AGM when it convenes of the competing work involving the Board member.

4/3/4 Obtaining a license from the Company's AGM allowing the member to engage in competitive business.

4/4 When assessing the board member's competition for the company's business, the Board of Directors must take into account The following:

4/4/1 Geographical extension of the competing business of the company.

4/4/2 Whether a competing business practice will prevent the board member from taking care of the company's interests.

4/4/3 Whether the activities of the Board member are likely to significantly affect a course as a board member of the company.

4/5 Deliberations and decisions on the board member's competing work must be restricted in the minutes of the Board meeting.

4/6 If the Board of Directors decides that a breach has occurred in relation to this policy, the violators will be liable to the competent judicial authorities for paying appropriate compensation for all damages or losses incurred by the company in that regard unless authorization has been obtained from the company's AGM.



5. Candidate disclosure of competing business

Anyone wishing to run for the Board of Directors must disclose to the General Assembly or the Board whether or not to engage in any work that may be a competing to the company or any of its activities.

6. The duties of board members involved in competing business.

6/1 The Board member must exercise his duties honestly and fairly, present the company's interests over his own interests and not use his position for his own interests.

6/2 The Board member should protect the confidentiality of information related to the company and its activities, and not to disclose it to anyone.

6/3 The Board member is prohibited from exploiting or benefiting directly or indirectly from any of the company's assets, information or investment opportunities presented to him as a board member, including investment opportunities that fall within the company's activities, or which the company wishes to benefit from, and the ban applies to a board member who resigns in order to exploit the investment opportunities directly or indirectly that the company wishes to take advantage of and which he know it during his membership.

7. Refusal to grant a license.

If the General Assembly refuses to grant the necessary license in accordance with the text of Article (72) of the Corporate System and Article (46) of the Corporate Governance Regulation, the Board member must submit his resignation within the period specified by the Company's AGM, otherwise his membership of the Board will be considered expired, unless the member decides to withdraw from that contract, transaction or competing project, or reconcile his status in accordance with the corporate system and executive regulations, before the expiry of the deadline set by the Company's General Assembly.



8. Governing the standards.

The Nominations and Rewards Committee will be responsible for periodically reviewing these criteria in accordance with article (7) paragraph (65) of the Corporate Government Regulation, as well as assessing their effectiveness in achieving their purposes.

9. Publishing and editing.

It operates in these standards and is adhered to by the Company as of the date of the decision to approve it by the Company's AGM, and must be posted on the company's website to enable shareholders, stakeholders and the public to view them.



Thank you